

This MOU made as of the 16 day of March 2006

***Memorandum of Understanding
Between
the British Columbia Safety Authority (BCSA)
and the
National Energy Board (NEB)
Respecting the Administration of
Boilers, Pressure Vessels and Pressure Piping,
Under the Jurisdiction of the National Energy Board
in British Columbia***

A. Purpose:

- A.1. The purpose of this Memorandum of Understanding (MOU) is to record and communicate the arrangements between the NEB and the BCSA made for the administration of certain functions in respect to boilers, pressure vessels and pressure piping (pressure equipment), which are under the jurisdiction of the National Energy Board in the Province of British Columbia.

B. Responsibilities:

- B.1. The NEB is an independent federal regulatory tribunal that has jurisdiction under the *National Energy Board Act* over pressure equipment within the federally regulated oil and gas sector.
- B.2. The NEB has a Memorandum of Understanding with Human Resources Social Development respecting the administration and enforcement of the *Canada Labour Code, Part II* within the federally regulated oil and gas sector.
- B.3. The NEB regulates pressure equipment under its jurisdiction in the Province of British Columbia under the following regulations:
- *Onshore Pipeline Regulations;*
 - *Processing Plant Regulations;*
 - *Canada Occupational Health and Safety Regulations;* and

the following Guidance Notes:

- *Guidance Notes for the Design, Construction, Operation and Abandonment of Pressure Vessels; and*
- *Guidance Notes for the Design, Construction, Operation and Abandonment of Pressure Vessels and Pressure Piping.*

B.4 The BCSA has responsibility to administer the *Safety Standards Act* and regulations pertaining to boilers, pressure vessels and pressure piping under the jurisdiction of the Government of the Province of British Columbia.

C. Principles and Commitments:

C.1. This MOU is an administrative arrangement aimed at ensuring an effective and efficient program delivery for companies designing, constructing, operating, and abandoning pressure equipment under the jurisdiction of the NEB in the Province of British Columbia.

C.2. The NEB and the BCSA will work together to provide for the safety of pressure equipment under the jurisdiction of the NEB.

C.3. The NEB will consult with the BCSA when updating regulations or guidance notes related to the pressure equipment.

C.4. The BCSA will convey to the NEB any information obtained concerning pressure equipment under the jurisdiction of the NEB.

D. Inspections:

D.1. Inspection of NEB regulated pressure equipment by BCSA, in accordance with the regulations listed in section B.3 of this MOU, shall be conducted by a certified boiler and pressure vessel inspector.

D.2. If an inspection report, arising from an inspection carried out by the BCSA, indicates that remedial action is required, the report shall be sent to the NEB.

D.3. The NEB will audit design, construction, operation, and abandonment of pressure equipment for compliance with the regulations listed in section B.3 of this MOU.

E. Registration:

- E.1. The BCSA will allot a Canadian Registration Number to each boiler and pressure vessel under the jurisdiction of the NEB that requires registration.
- E.2. The BCSA will register design drawings, specifications and welding procedures for the pressure equipment under NEB jurisdiction.

F. Review of Programs:

- F.1. The NEB will review the NEB regulated company's program for the design, construction, operation, and abandonment of pressure equipment.
- F.2. The NEB will consult with the BCSA regarding the technical and personnel qualification merits of the regulated company's program.
- F.3. The BCSA will provide its comments on the regulated company's program to the NEB not later than one month from the date of the receipt of the program from the NEB.

G. Incidents:

- G.1. The NEB will receive incident notifications from the NEB regulated companies.
- G.2. The NEB will inform the BCSA about the significant incidents involving pressure equipment.
- G.3. The NEB or the Transportation Safety Board will investigate incidents involving pressure equipment in cooperation with the BCSA, if required.

H. Cost:

- H.1. There will be no cost for the services described in this MOU that a party to this MOU provides to the other party.
- H.2. Regulated companies are responsible for the costs of services provided to them.

I. Dispute Resolution:


I.1 Disputes between the NEB and the BCSCA relating specifically to the matters of this MOU will be resolved by the Chief Operating Officer of the NEB and the Boiler Safety Manager of the BCSCA.

J. Amendments and Termination:

J.1 Amendments to this MOU must be made in writing and signed by the Chief Operating Officer of the NEB and the Boiler Safety Manager of the BCSCA.


J.2 This MOU shall remain in force until 90 days after either party gives notice, in writing, to the other party of its intention to terminate the MOU.

Signed by the British Columbia Safety Authority
per:



Harry L. Diemer
President & Chief Executive Officer
British Columbia Safety Authority

Signed by the National Energy Board
Per:



Jim Donihee
Chief Operating Officer
